

TACKLING CORRUPTION IN PUBLIC PROCUREMENT: A CASE OF LOCAL GOVERNMENTS IN UGANDA

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ABSTRACT. According to the 2007 annual Corruption Perceptions Index (CPI) released by Transparency International, Uganda is ranked as the 11th most corrupt country out of a survey of 179 countries. With only 2.8 CPI score, corruption in Uganda is still a big hindrance to effective resource utilization and efficient service delivery. The research results generated through questionnaires and interviews, confirm that corruption exists in public procurement in Kampala district which influences awarding of contracts. So, despite government effort towards creating a legal and institutional framework required to fight it, corruption in public procurement in Uganda is still pervasive, institutionalised and endemic. Unlike in most existing literature that indicates that corruption is more prevalent at specification stage, in Uganda, it occurs at evaluation stage. We suggest that if corruption is to be reduced in the country, there should be a cultural transformation, political goodwill to fight self aggrandizement and a vigilant civil society to act as whistle blowers whenever a case of corruption is sighted. The PPDA, citizenry, district leaders and Civil Society Organisations need to be vibrant and take responsibility for their own actions and decisions, and behave ethically so as to ensure value for money and to uphold the principles of transparency, fairness, non discrimination efficiency and effectiveness in public procurement.

INTRODUCTION

Corruption in public procurement process has become increasingly critical to many organizations both public and private, (Cooper et al., 1997; Turner, Taylor and Hartley 1994; Carter 2000) and has attracted

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significant attention from governments, civil society institutions and international bodies. In Uganda, the government attaches a great deal of importance to tackling the problem of corruption, for it is aware that corruption undermines good governance and retards economic development to which it is committed. It has hence set up several institutions such as; Inspector of Government (IGG), Ministry of Gender, Ethics and integrity, Public Accounts Committee (PAC), Auditor General (AG) among others, aimed at stamping out corruption from government departments.

A National Integrity Survey carried out in 2002 by the Inspector General of Government found that Local Government Tender Boards were perceived to be the second most corrupt institution in Uganda, exceeded only by the Police. Through the policy of decentralization significant powers, functions, responsibilities and resources were devolved from the central government to local governments. Decentralization in Uganda is firmly based on the presumption that improved local governance can be achieved through devolution of political powers and functions, along with fiscal resources, and that this will improve service delivery and in turn positively impact on poverty. Local governments are now responsible for the bulk of administrative and political processes within their respective areas of jurisdiction. Local governments are charged to address social, economic, political, infrastructural backlogs and inequalities in a manner to ensure that developmental outcomes are reached.

With the magnitude of roles and responsibilities devolved to the local governments, an equal amount of financial resources has been decentralized (devolved). Total transfers from the Central to local governments have increased from Ug. Shs. 225.23 billions 1997/98 financial year to Ug. Shs.1, 099.67 billion 2007/08 financial year (Background to the budget 2007). With this increased financial autonomy in Local governments, the procurement function is increasingly becoming very important. This is because we are in a "global procurement reform fever" that demands an efficient and effective system of acquiring goods, services and works. Local governments now handle huge sums of money to procure contracts like feeder road construction, water supply, construction of health units and primary schools, supplies to district hospitals and lower health units, school furniture and many others. It is with this background that there is need

for increased accountability at local governments. However as indicated, corruption at local government is still prevalent.

So despite the effort to curb out corruption by government and its development partners, it has persisted in public procurement. The procurement process still has a lot of problems including influence peddling, intrigue, and lack of transparency in selecting the “lead agencies” to be funded. This has led to non-optimization of resources e.g. shoddy work, collapsing pit latrines and school blocks, uncompleted hospital theatres, defective equipment, shortage of medicines, textbooks, school desks which are being funded from Poverty Action Fund resources, (New Vision, Sunday, 14th January, 2007; Coronel and Tirol, 2002). Public and private individuals have abused the public trust to enrich themselves. The actions of these individuals have created the appearance that contracts are not awarded in a fair and open process, and that contractors must “pay to play”. This has serious implications which may possibly derail the development process. The war on corruption in public procurement must be worn.

In this paper we seek to explore the reasons for continued corruption in local government procurement process, the most vulnerable stage to corrupt practices plus the strategies that need to be undertaken in order to eliminate it. By identifying the most vulnerable stage to corruption, policy makers can respond to risks of corruption in general by ensuring a good public procurement system and instituting control systems to enhance the accountability and transparency within the procurement system and hence be able to detect and prevent corruption. Specifically, the following research questions are discussed:

- What are the reasons for the continued corruption in Uganda’s local government?
- What is the most vulnerable stage to corruption in the procurement process?
- What strategies can be developed to curb corruption in local government procurement in Uganda?

The rest of the paper is organized in the following manner. Part II briefly introduces the literature that explains how corruption is perceived in Uganda, causes of continued corruption in the public sector and an overview of vulnerable moments of procurement process. Part III deals with the methodology. Part IV presents the findings and discussions. Part

V presents concluding commentary and policy recommendations for addressing the problem.

LITERATURE REVIEW

ganda corruption perception Index Ranking

Corruption is defined variously by several authors as “the misuse of entrusted power for private gain” (T I, 2002, Shah 2006, Andvig 2006, Kaufman and Vicente 2005; Mishra, 2006). Wei, (1999) contends that “corruption is an unethical and illegal practice that bleeds the public purse, erodes public and business confidence in government as provider and customer respectively and increases indebtedness”. Corruption specific to public procurement especially harms the poor because it distorts the allocation of scarce resources (Ackermann, 1998)

The government of Uganda in its National Strategy to fight corruption and rebuild ethics and integrity in Public Office (2004–2007) launched in July 2004, recognizes that corruption in public procurement and service delivery poses a serious obstacle to economic and social development in Uganda. The need to fight corruption is further strengthened by the Transparency International ranking that paints a gloomy picture about Uganda. The ranking Transparency International (TI) over an eight year period through the, Corruption Perceptions Index (CPI) indicate that Uganda needs to further strengthen its effort to fight corruption. At a score of only 2.8 against a clean scale of 10, Uganda is ranked among those countries that are really in a critical situation.

United States Agency for International Development (USAID), Development Assistance Grant Agreement (2007) on fighting corruption points out that despite the government’s effort to fight corruption, it still continues to constrain severely public policy execution and public service delivery. USAID further points out that although serious challenges exist at a variety of levels and in a variety of sectors corruption within the public procurement process represents a particularly acute concern and a major threat to the economy of Uganda. Development partners particularly note the poor quality road works which they perceive to be as a result of high levels of corruption in the contractual process (Wasike, The New Vision, 14 January, 2007).

TABLE 1
Uganda CPI Score for a Period of Seven Years

Year of CPI Survey	CPI score for Uganda (10 highly clean and 0 highly corrupt)	Uganda's Rank	Countries Appearing in the Survey
2000	2.3	80	90
2001	1.9	102	145
2002	2.1	93	102
2003	2.2	113	133
2004	2.6	102	145
2005	2.5	117	159
2006	2.7	105	163
2007	2.8	111	179

Source: Derived from TI CPI Reports www.transparency.org

Corruption in Uganda does not only include minor cases but high profile cases as well, characterized by influence peddling in the procurement process and direct embezzlement. The Global Alliance for Vaccines and immunization (GAVI) fund Report by IGG (2006) implicated three high profile ministers in the irregular contract awards and disappearance of billions of shillings meant for HIV/AIDS (Human Immune Virus/Acquired Immune Deficiency Syndrome), and malaria prevention and treatment.

Continued Persistence of Corruption in Public Sector

Corruption in Uganda has persisted because it is bred and nourished by moral decadence, loss of ethics and integrity, shamelessness, societal adoration of wealth and materialism, greed and poverty (Epak 2005). In fact the causes of corruption might help to explain its continued persistence in the public sector. The Ugandan traditional system of rulers, leaders, or chieftaincy encouraged or for that matter survived on the bestowing of gifts, patronage and favours. Even women were given as gifts to chiefs for wives. This type of corruption deeply rooted in cultural practices of having to give something for something cannot be wished away in one day. However since the practices were not perceived to be bad or corrupt they were carried out openly. This attitude lives with us up to today, except that today they are done rather privately.

Cultural engrained practices set aside; corruption has roots in the breakdown of rule of law that dominated after-independence Uganda. More especially the systems of control, transparency, accountability and management broke down during Amin's period of dictatorship and chaotic rule. Instability and insecurity of job tenure resulting from the political upheavals of the time made employees feel insecure in their job and hence grabbed whatever they could lay their hands on. Corruption was also exacerbated by the population expanding while the economy contracted the standard of living deteriorated and the cost of living increased. Corruption permeated every sphere of public life and the population became resigned to it as inevitable.

Corruption is most prevalent where there are other forms of institutional inefficiency, such as political instability, bureaucratic red tape, and weak legislative and judicial systems. Ellis (2005) notes that whereas there has been increased effort to reform and de-politicize and professionalize the local government procurement system in Uganda with effort to reduce corruption, laws and regulations alone were not enough to combat the vice. However, underlying all these issues are institutional weaknesses that need to be addressed. The capacity and integrity of enforcement need to be enhanced. The best law has no value if it is not enforced. The best judges and magistrates are wasted if cases are never brought to them. Good investigations are wasted effort if the judge or magistrate is corrupt (Petter Langseth 1999). Loose or opaque rules that are also poorly enforced, patronage arrangements, maintenance of the status quo, protection of vested interests at all cost, formation of local business cartels that lock out competition especially from international firms, and procurement used as a basis for rewarding political supporters, and to finance political parties are critical issues that have perpetuated corruption in developing countries (Hunja 2003)

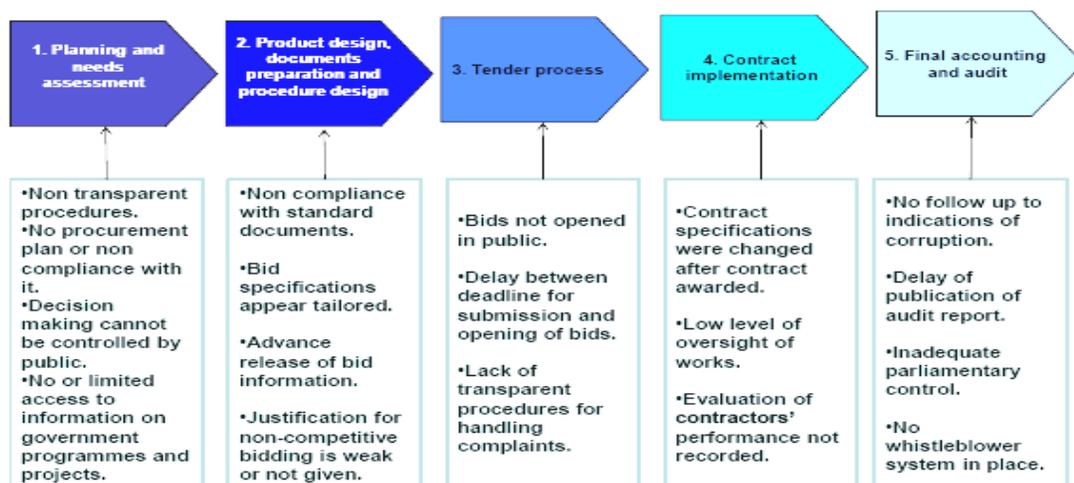
Most Vulnerable Stage of the Public Procurement Process

The procurement process can be divided in the five following phases: (i) procurement planning and needs assessment, (ii) product design and document preparation, (iii) tender process (including advertising, invitation to bid, prequalification, bid evaluation, post qualification), (iv) contract award and implementation, and (v) final accounting and audit. The risk of corruption exists at every stage of the process (OECD 2007) According to the same OECD report the major risk of corruption comes from a lack of transparency, limited access to

information and lack of accountability and control at each stage of the procurement process. Collusion is frequent during the phases of procurement planning and document preparation, where investigations are most difficult. Conversely, corruption is most easily detected and investigated during the phase of contract implementation. An area with particular high risk for corruption is sub-contracting during contract execution. Other vulnerable areas to corruption are the phases of needs assessment, project specifications and bid evaluation. It attempts to highlight at each of these stages the risk areas as identified in Diagram 1.

As seen in the diagram above and in line with the National Integrity Baseline Survey, 2006; Pidaparathi 2003 revealed that all stages of the process are prone to corrupt practices. Similarly, TI (2006) found that corruption at the stages at which it occurs could be due to; Limited or restricted access to information; abuse of exceptions to open public bidding; Limited or ineffective control and monitoring within the contracting process and particularly during the contract implementation phase; and deficiencies and lack of transparency during the budget phase and further asserts that public procurement procedures are often complex

DIAGRAM 1
Areas Vulnerable to Corruption in the Procurement Stages



Source: OECD (2007).

and transparency of the processes is limited, and manipulation is hard to detect. This argument is supported by Matechak(2005) who observes that corruption opportunities are abundant at all stages of the procurement process. Asian Development Bank, Organisation for Economic Co-operation and Development(ADB/ OECD, 2006), observes that procurement planning in particular, needs assessment and definition of technical specifications and the delivery phase are particularly exposed to corruption.

Strategies to Curb Corruption in Public Procurement

The legal and institutional framework setting out the basic conditions and the manner in which procurement may be undertaken procedurally, the results that can be expected, and the potential efficiency gains that can be achieved(Hunja 2003) is crucial in the fight against corruption. Within this environment, the commitment of public sector staff in managing and adhering to the requirements of the procurement process and taking advantage of the competition in the market is decisive to the outcome in terms of achieving the objectives of a national public procurement system

Not disputing the argument above, the World Bank (2004) confers that an effective anti-corruption strategy builds on five key elements: increasing political accountability, strengthening civil society participation, creating a competitive private sector, institutional restraints on power and improving public sector management. Others include; top political commitment, sound procurement legal framework (Transparency International- Uganda Chapter, 2007); Professionalizing procurement workforce and capacity building (Ferrell and Gresham 1985; Laczniak, et al, 1995, Wood, 1995); workers themselves should care about ethics if they wish to work in respectful and ethical organizations (Trevino & Nelson, 1999); Khai, (2006) suggests strong procurement records management as a ways for detecting corruption through inspection, sanction and reporting. Burt et al (2003) contends that supply managers have to be aware of the potential conflict of interest when selecting suppliers which occurs when procurement managers divide their loyalty between the firm that employ them and another. Avoidance of showing favoritism toward certain suppliers, (Ferrell and Gresham 1985; Forker and Janson 1990; Doney and Cannon 1997), Stevens, et al, (2005) advocates for the use of ethics codes and

participation of stakeholders: Harnessing the potential of new technologies.

OECD (2007) urges governments to put in place accountability and control mechanisms in the public procurement office and in procuring agencies such as internal audit; internal control mechanisms; External audit. Other external controls include public oversight bodies; parliamentary controls. However worth noting is the fact the institutional mechanisms set in place should be backed up by commitment by all stakeholders to make it work.

METHODOLOGY

The research took the form of a single case study (Eisenhardt 1989; Yin 1994) of Kampala District. Case study was particularly appropriate to the present investigation because it is about a contemporary phenomenon (Yin, 1984). Corruption in Uganda is a contemporary phenomenon eating up the social fiber and burdening the economy. To obtain in-depth analysis, a case study design was chosen as contended by Stake (1995); “We study a case when it is of very special interest. We look for the detail of interaction with its contexts”. Case studies have been used to develop critical thinking (Alvarez, et al., 1990). Case studies tend to be selective, focusing on one or two issues that are fundamental to understanding the system being examined. A qualitative descriptive research design was used to seek attitudes and opinions on corruption in the procurement process from the technocrats who included heads of departments and officials of the anti-corruption organisations in Uganda.

Target Population and Selection of Target Sample

The study focused on Kampala district. The study population comprised of District Procurement Officials, heads of district departments, and suppliers to Kampala district. This target group constituted people with experience and knowledge of the procurement. That is, people involved in the day to day procurement activities within the districts- officials and suppliers. We also interviewed the Civil Society Organisations (CSO) (T I-Uganda Chapter and Anti-Corruption Coalition Organisation) who have the expertise on particular forms of corruption to get an overview of procurement practices in Uganda in

general and local governments in particular. This information was important in the collaboration of our findings.

The target population was purposively selected with a total of 119 members composed of technocrats (19 district staff) selected according to their involvement in procurement process and 100 pre-qualified providers. Technocrats included 4 staff from the procurement unit, 5 Contracts Committee members, 5 Executive members (cabinet of the district) who ensure transparency and are politically accountable and 5 members of the evaluation committees.

Stratified sampling was used given the heterogeneity of the respondents. The sample target was selected using simple random sampling 4 heads of department, 3 members from the district Procurement Unit, 3 executive members, 5 participants of the evaluation committee and 3 members from the Contracts Committee and 20 providers). This gave a total sample of 38 respondents who were issued questionnaires. Four district staff and two officers from anti corruption agencies were interviewed. To avoid problems related to the subjectivity of data, multiple sources of evidence were used (triangulation purposes)

Data Analysis

Data was presented and analyzed using descriptive statistics (mean and standard deviation). These statistics helped in understanding the general behavior of data. The researchers' aims were to find out the mean ranks within each of the groups. The data collected was considered valid and reliable as all the respondents were purposively selected. On top of interviews conducted a questionnaire with likert scales ranging from 1-5(1-highest rating, highest and 5-least rating) was used. The number of intended interviewees at district was four and two from anti corruption organisations. All the six were interviewed and due to the sensitivity of the topic their identities are not revealed. The lowest mean score on a set of questions measuring a particular parameter implied high prevalence of the parameter being tested. Conversely, a high mean score on question implied less significance of that aspect as a contributory factor on that parameter.

FINDINGS AND DISCUSSIONS

What are the reasons for the continued corruption in Uganda's local government?

Descriptive analysis indicates that both groups of the respondents' i.e technocrats and providers identified political influence as the lead reason for the continued corruption in Kampala district. In table 2 below, the technocrats scored the least mean of 2.64 and the providers the least mean of 3.00 and since the least score means the highest rank this would imply that political influence is the lead cause of corruption in Kampala District. The variability in the form of Standard deviation in both groups is also relatively low closely followed by low salaries.

TABLE 2
Descriptive Statistic

Causes	Technocrats			Providers		
	N	Mean	Std. Dev	N	Mean	Std. Dev
Cultural reasons	14	4.14	2.60	17	4.88	1.62
Poor economic policies	14	5.36	1.50	17	4.76	1.71
Low salaries of public officials	14	3.14	2.11	17	3.00	2.00
Weak transparent procedures	14	4.14	1.41	17	3.94	1.64
Greed for money	14	3.57	1.87	17	3.29	2.20
Political influences	14	2.64	1.82	17	3.00	1.84
Weak Institutional framework	14	4.64	1.69	17	5.12	1.96

On clarification during interview it was confirmed that political interference is due to insecure and precarious tenure of office. The district respondent further stated that when public officials feel insecure, and threatened by the possibility that they may not be voted into office in the next election, they try to grab as much as they can within the shortest possible time. This was supported by an official from the anti-Corruption Coalition who asserted that; "the tendering process has been turned into a business by politicians at the district to settle their economic problems and those of their key supporters, kin and business associates. He explained further that political influence is due to monetization of the elections. He claimed that politicians spend a lot of money and others get

loans which they have to repay by way of awarding themselves contracts to recoup the expenses” hence the continued corruption.

The legal framework of decentralization was also blamed for not providing for prevention of corruption among politicians and yet it holds civil servants accountable for any form of graft. He argued that the law does not penalize politicians who unknowingly or deliberately flout the law. He gave an example of the case of junk helicopters and ghost soldiers which implicated very high politicians and to date nothing has been done to date. This analysis is also supported by documentary evidence in which some actions of the political leadership of the district were analysed. The Chairman LC 3 Kampala Central in the on-going investigation in Kampala district admitted to illegally awarding tenders. He said, “During the first six months of my tenure in office, whoever came to me for a tender, I just wrote a chit awarding them tenders without knowing that I was doing it illegally” (Tebajjukira and Nakaayi, *The New Vision*, Tuesday, August 7, 2007).

One member of the district executive further asserts that “the fight to eradicate corruption in Uganda public procurement has had a number of challenges due to the fact that a number of weaknesses in the present laws exists hence the reason why corruption persists. She gave examples of an inadequacy in the laws involving weaknesses in the Penal Code Act; the Prevention of Corruption Act and; the Leadership Code of Conduct. A provision for the confiscation of ill-gotten wealth in all the three statutes seems to be lacking.

However one respondent argued that “in Uganda there is a cultural inclination in Society. A culture of corruption has existed in the society right from pre-colonial times and this is not easy to get rid of. Public officers who rendered services were always rewarded with goods and services and in some cases even cash. This bred a deeply rooted culture of having to give something for something and compliancy towards corruption. Accumulation of wealth by whatever means is encouraged and adored by our society”. This is supported by Epak (2005) argument that Corruption in Uganda has persisted because it is bred and nourished by societal adoration of wealth and materialism, greed and poverty (Epak 2005).

What is the most vulnerable stage to corruption in the procurement process?

The study sought to find out which stage in the procurement process was most susceptible to corrupt tendencies. Respondents were asked to rank the stages in order of importance (1 being the most to 5 being the least). The findings for the most prone stage of corruption in the procurement process in Kampala district is reflected in tables 3. Descriptive analysis indicates that both groups of the respondents identified evaluation as the most prone stage to corruption in the procurement process in Kampala district.

TABLE 3
Descriptive Statistics: Most Prone Stage

	Technocrats			Providers		
	N	Mean	Std. Dev	N	Mean	Std. Dev
Identification stage	14	5.29	3.63	17	6.06	2.54
Specifications / Terms of reference stage	14	5.07	2.76	17	6.12	2.39
Prequalification stage	14	4.07	2.30	17	3.65	3.10
choice of procurement method	14	6.00	2.77	17	6.35	2.47
Bid advertising, receipt and opening	14	6.00	2.18	17	5.06	3.15
Bid evaluation stage	14	3.07	3.00	17	2.65	1.22
Contracts Committee consideration	14	7.14	3.11	17	6.24	2.91
Negotiation, signing of the contract	14	5.36	2.82	17	5.24	2.19
Notification of contract award	14	6.64	2.41	17	7.12	2.29

In Table 3 above the technocrats scored the least mean of 3.07 and the providers the least mean of 2.65. The variability in the form of standard deviation in both groups is also relatively lower.

The findings confirm the PPDA discussion paper (September 2007) on the PPDA Act, (2003) amendment. The paper identifies evaluation stage as deficient in the law and subject to abuse. An interviewee from the CSO had different opinion that corruption starts in the first stage- at identification of needs. He gave an example in the construction of the Kabale – Kisoro road. “What actually happened is that Independent Consultants estimated a much lower figure than the real Ministry

budgets”. A respondent from T I Uganda Chapter, also had a different view and he gave an example of the Ministry of Health and he said “If you look at the Ministry of Health, what happened with the Global Fund is that the suppliers were given confidential information which was leaked at the initial stage; that were crucial in their winning the bid. The real problem is at the identification stage, which should be tackled to avoid the leakage of information.”

On further inquiry as to why the evaluation stage was perceived to be the most vulnerable stage one respondent from the district confirmed that politicians usually put pressure on the evaluation team members as to who should be selected for contract award. He further asserted that most of the evaluators have “god fathers” who are politicians and so they bypass the preset criteria. This is absurd because the criterion to be followed in evaluating bids is always clearly documented in the bid documents as required by the law. However, a counter argument was given by one district official who during the interview argued that influencing the evaluation committee to award contracts to favoured or fronted firms is difficult to prove because these are firms that are technically qualified by evaluation committees constituted by civil servants.

There was a strong feeling among the district staff that “There is a weakness in the Local Government Act, which makes politicians the authority over the implementers who are civil servants. Being with authority over the civil servants, they usually conflict but will dominate and therefore decide over them. They can influence because they hire.”

A respondent from TI Uganda contends that the problem is with Tender Bodies especially with their composition. He observed that elected leaders especially those at District level appoint some of their campaign managers so as to influence the process and to reward them. Procurement information is leaked to potential bidders and so compromises transparency and competitiveness. Bribes or kickbacks are included in the pricing and often there is a 10% commission in the pricing which a client dishes out as kickback.

What strategies can be developed to curb corruption in local government procurement in Uganda?

Respondents were asked to rank the remedies using a 13 point likert scale (1 being the most effective to 13 as being the least). The findings

for the most common unethical practice in the procurement process in Kampala district are reflected in Tables 5.

TABLE 5
Descriptive Statistics-Strategies Curb Corruption

Remedies	Technocrats			Providers		
	N	Mean	Std. Dev	N	Mean	Std. Dev
Strict laws	13	5.08	3.59	17	5.12	3.55
Increase pressure from stake holders	13	6.62	3.73	17	8.35	3.37
Strengthening anti-corruption	13	5.85	3.08	17	8.24	3.44
top political commitment	13	3.77	3.32	17	4.47	3.50
Implement IGG recommendations	13	5.38	3.55	17	4.88	3.76
Professionalizing work force	13	8.15	3.29	17	6.29	3.48
Rotation of public officials	13	10.31	3.64	17	9.00	3.84
strong PPDA audit and inspection	13	5.23	3.00	17	4.94	2.46
Sacking & prosecuting officials	13	5.92	3.48	17	4.76	2.91
Increase salaries	13	7.77	3.92	17	7.94	3.86
Permanent prohibition	13	8.38	2.60	17	8.24	2.84
ethical office & codes	13	10.00	2.12	17	8.82	2.70
Procurement records management	13	8.54	3.57	17	9.35	3.59

Descriptive analysis indicates that both groups of the respondents identified political commitment as the most effective remedy to corruption in the procurement process in Kampala district. In table 5 the technocrats scored the least mean of 3.77 and the providers the least mean of 4.47. The variability in the form of standard deviation in both groups is also relatively lower.

The second measure was implementation of IGG recommendations and strict laws. The third is building strong PPDA and lastly sacking and prosecution of officials. Among the recommendations for fighting

corruption is an e-procurement project which should aim at processing official transactions in a shortest time possible through the internet. E-procurement increases transparency, efficiency and lowers costs. E-procurement also increases competition by simplifying access to information and to the bidding process. Reduced personal contact between public procurement officials and bidders also contributes to preventing corrupt behavior.

TI Uganda official had the view that sacking corrupt officials can only be effective only if control systems are in place. He further argued that they play an important role in enhancing the accountability and transparency of a public procurement system and hence in detecting and preventing corruption. They should include adequate independent internal and external control and audit with a clear coordination of all control mechanisms. Internal control of Kampala district should comprise the organisational structure on one side and the verification of the procurement process on the other. Control mechanisms can include internal audits, financial risk analysis, management control systems and performance audit and external financial audits.

Huguette Labelle(2007) indicated that despite some gains, corruption remains an enormous drain on resources sorely needed for education, health and infrastructures. He urges that low scoring countries on corruption like Uganda need to take corruption seriously and act now to strengthen accountability and public institutions. The political leadership of Kampala district is not seriously committing itself to the issues of procurement corruption in the district. Hence the relevance of political commitment as a first remedy to procurement corruption as evidenced by the findings of the study. Dise(2007) observes that ``commitment to reform and intolerance of corruption comes from the highest levels of government and must be reinforced through all levels, down to the buyer on the phone and the man on the receiving dock, or reform is hopeless``. According to documentary evidence, the political will for enforcement of law is still very weak.

The World bank report to MFPED (2007) revealed that there are almost no actions on non-compliant cases identified by PPDA's procurement audit and by the Auditors General report. Non-compliant cases are red flags of violation of procurement regulations that may promote corruption and the misuse of public funds. Similarly concern was raised by district staff over the fact that if leadership does not punish

corrupt politicians, then there was no way a technical staff could be punished. The rules and regulations and codes can only be effective if the enforcement mechanism is in place. Another official from the district had the opinion that enforcement of the regulation was the biggest problem. She asserted that; yes the laws are there, such as the constitution and PPDA Act and are all clear about dealing with people who engage in corruption but people are not punished. There is little political commitment.

The findings are also relevant and in agreement with the following assertions of Transparency Uganda Report (2005) ``lack of action on reports of commissions of enquiry into the corruption in the Uganda Revenue Authority by Justice Sebutinde illustrates lack of government commitment to rein in the corrupt`. The report shows that the anti corruption institution such as the IGG, police, and the Auditor General are toothless, working in retrospect and prone to corruption themselves. These institutions investigate local government after years. Their findings are usually overtaken by time, events and circumstances`. One respondent from TI said that the ethics of public servants must be enhanced but cautioned that this will depend on political leaders. He further asserted that, ``If politicians are unethical, then professional people cannot behave different. Without self-discipline and individual integrity, we could not boast in all the laws available`. One respondent from the district had the opinion that studies such as these are good but Uganda is not short of such knowledge. But what it lacks are values and political commitment to fight corruption.

The World Bank (2004) strongly believes that an effective anti-corruption strategy should build on five key elements: increasing political accountability, strengthening civil society participation, creating a competitive private sector, institutional restraints on power and improving public sector management. However one respondent from UDN asserted that the problem can only be solved with good book keeping and investigative systems in place. He further asserted that the burden of proof and poor facilitation further compound the detection and accountability processes.

The roles of CSOs have been identified in the fight against corruption in Uganda local governments. They need to be more vigilant in educating and reminding the public that it does have a say in what is going on in their communities. These organisations need to lead by

example, walk the talk, be able to strengthen their capacity and work together with each other and with government. Government should be more serious in fighting corruption in general, through allowing for the establishment of a society for fighting corruption right to the grass roots. Awareness is a key factor through conferences and seminars, following up the State institutions, tracking complaints and establishing best solutions. This should be done in partnership with the media.

CONCLUSIONS AND POLICY RECOMMENDATIONS

The persistence of corruption in Kampala district public procurement was majorly attributed to political interference. Many respondents had the opinion that one cannot win tenders without getting inside help. The politicians appear to have a significant role in respect of awarding contracts. Given the high level of influence, these individuals can bring to bear on the procurement process. It is necessary that consideration be given to adequate checks and balances on to minimize or eliminate this influence. This might involve an overhaul of the district service so as to cut down on the 'godfather' syndrome.

"It takes two to tango". In the deliberations on the reforms, government should take the private sector fully into account, particularly the associations of the contracting community and the fact that they are the other critical party to all procurement activities. Hence, the extent to which the reforms can succeed in producing value-for-money and the benefit of efficiencies and effectiveness depends invariably on their cooperation in changing the ways in which they do business and by having them adopt higher standards in contracting with the Procuring Entities.

The study also revealed that corruption in Kampala district is most concentrated at the evaluation stage sending clear indication of the importance of focusing remedial measures to this stage of procurement process. While attention should be focused on the evaluation stage, this should not be in disregard of other stages of corruption. Notably, the pre-qualification stage should also be closely monitored and stronger remedial measures be put in place. Although these findings cannot be necessarily generalized to other districts, they give insight as to which stage of the procurement process is most prone to corruption. Constantly

rotating members of the evaluation committee per contract award or per period could be a starting point in this reform

The war on corruption in public procurement must be worn. To consolidate the gains and push the anti-corruption movement to its logical conclusion, Uganda and in particular Kampala district, leaders must demonstrate the political will and further strengthen criminal procedure legislation by implementing the Inspector of Government recommendations, bolster the capacity of anti-corruption agencies, enhance public awareness, building strong PPDA and lastly step up investigation and prosecution activities sacking and prosecution of officials. However this is a challenge for policy makers who have to mobilize the required resources and will in order to make the process transparent for all.

There is also an urgent need to review of the procurement law and regulation concerned with evaluation of bid documents; and the follow up of the procurement audits, which are the measures needed to provide the confidence and effectiveness of the public procurement system. The PPDA should continue building capacity in the district contracts committee through training and ensure that the evaluation of bids is done with fairness and transparency to promote accountability and value for money in procurement of public goods, services and works.

The issue of culture as a background to the current persistent corruption within public procurement should be addressed. A campaign highlighting public resource wastage due to corruption should be launched by government in conjunction with Civil Society Organizations. Statistics on how many people die due to lack drugs, how many women die due to maternal complications arising out of inaccessible health facilities, number of child who die at birth and a general breakdown of infrastructural facilities within the country could be highlighted as a reason to save resources and avoid corruption.

Public procurement process in Uganda is heavily decentralized. Public bodies perform the function independently within a framework of national laws and national guidelines. These should be enhanced to promote open and transparent competition as a means of achieving value for money and eliminating corruption. Efficient and effective procurement policy, procedures and practices by local government can have a significant impact on the accountability and value for money

aspects of the purchase of goods and services by the State. Efforts to achieve this should be the ultimate goal by all governments

Finally a procurement culture that promotes and demonstrates high standards of accountability must be emphasized including the following: Responsibility for procurement decisions is readily identifiable through a clearly defined delegation matrix; adequate records are maintained to enable internal and external scrutiny of procurement decisions; procurement procedures guide officers through procurement activities in-line with the relevant government and supply policies; contract award details are made public as required by policy; and Processes are in place to provide feedback to unsuccessful bidders and to manage provider complaints through administrative reviews.

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